

# HOUSE BILL No. 2047

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-3.1-20.

**Synopsis:** Tax credit for worksite health programs. Provides a credit against a taxpayer's state tax liability equal to 10% of the cost incurred by the taxpayer in providing worksite health programs for the taxpayer's employees.

**Effective:** January 1, 1999 (retroactive).

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January 27, 1999, read first time and referred to Committee on Ways and Means.

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First Regular Session 111th General Assembly (1999)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1998 General Assembly.

## HOUSE BILL No. 2047

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 6-3.1-20 IS ADDED TO THE INDIANA CODE  
2 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
3 JANUARY 1, 1999 (RETROACTIVE)]:

4 **Chapter 20. Credit for Worksite Health Programs**

5 **Sec. 1. As used in this chapter, "pass through entity" means:**

- 6 (1) a corporation that is exempt from the adjusted gross  
7 income tax under IC 6-3-2-2.8(2);  
8 (2) a partnership;  
9 (3) a limited liability company; or  
10 (4) a limited liability partnership.

11 **Sec. 2. As used in this chapter, "state tax liability" means a**  
12 **taxpayer's total tax liability that is incurred under:**

- 13 (1) IC 6-2.1 (gross income tax);  
14 (2) IC 6-3-1 through IC 6-3-7 (adjusted gross income tax);  
15 (3) IC 6-3-8 (supplemental net income tax);  
16 (4) IC 6-5.5 (financial institutions tax); and  
17 (5) IC 27-1-18-2 (insurance premiums tax);



as computed after the application of the credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter.

Sec. 3. As used in this chapter, "taxpayer" means an individual or entity that has state tax liability.

Sec. 4. As used in this chapter, "worksite health program" means:

- (1) a basic health promotion program; or
- (2) an integrated health management system;

that satisfies the standards adopted by the Association for Worksite Health Promotion.

Sec. 5. A taxpayer is entitled to a credit against the taxpayer's state tax liability for a taxable year equal to ten percent (10%) of the amounts paid by the taxpayer in the taxable year to provide worksite health programs in which all of the taxpayer's employees are entitled to participate.

Sec. 6. (a) If the amount determined under section 5 of this chapter for a taxpayer in a taxable year exceeds the taxpayer's state tax liability for that taxable year, the taxpayer may carry the excess over to the following taxable years. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this chapter for any subsequent taxable year. A taxpayer is not entitled to a carryback.

(b) A taxpayer is not entitled to a refund of any unused credit.

Sec. 7. If a pass through entity does not have state income tax liability against which the tax credit may be applied, a shareholder or partner of the pass through entity is entitled to a tax credit equal to:

- (1) the tax credit determined for the pass through entity for the taxable year; multiplied by
- (2) the percentage of the pass through entity's distributive income to which the shareholder or partner is entitled.

Sec. 8. To receive the credit provided by this chapter, a taxpayer must claim the credit on the taxpayer's state tax return or returns in the manner prescribed by the department. The taxpayer must submit to the department all information that the department determines is necessary for the calculation of the credit provided by this chapter and for the determination of the taxpayer's eligibility for the credit.

SECTION 2. [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]  
IC 6-3.1-20, as added by this act, applies only to taxable years that



- 1 **begin after December 31, 1998.**  
2 **SECTION 3. An emergency is declared for this act.**

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